

COUNTY OF LOS ANGELES

DEPARTMENT OF PARKS AND RECREATION

"Creating Community Through People, Parks and Programs"

Russ Guiney, Director

December 13, 2005

The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, CA 90012

Dear Supervisors:

JOB ORDER CONTRACT FOR REPAIR AND REFURBISHMENT OF COUNTY PARK FACILITIES AWARD CONSTRUCTION CONTRACTS SPECIFICATIONS VARIOUS (ALL SUPERVISORIAL DISTRICTS -3- VOTES)

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

- 1. Award a Job Order Contract (JOC) to Angeles Contractor, Inc., for a maximum cost of \$3 million to be financed from refurbishment and extraordinary maintenance projects budgets, as deemed appropriate by the Director of the Department of Parks and Recreation.
- 2. Award a JOC to Mackone Development, Inc., for a maximum cost of \$3 million to be financed from refurbishment and extraordinary maintenance project budgets as deemed appropriate by the Director of Parks and Recreation.
- 3. Find New Creations Builders, Inc. non-responsive and accordingly award a JOC to Torres Construction, Inc., for a maximum cost of \$3 million to be financed from refurbishment and extraordinary maintenance project budgets as deemed appropriate by the Director of Parks and Recreation.
- 4. Authorize the Director of Parks and Recreation to prepare and execute the JOCs in the form previously approved by County Counsel, and to establish the effective date following the receipt of approved Faithful Performance and Labor and Materials Bonds filed by Angeles Contractor, Inc., Mackone Development, Inc. and Torres Construction, Inc.

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- 5. Authorize the Director of Parks and Recreation or his designee to execute supplemental work orders as necessary within the not-to-exceed maximum of each contract.
- 6. Authorize the Director of Parks and Recreation or his designee to accept the work performed under each work order and to release the retention upon acceptance of the work.
- 7. Increase the amount for future JOCs from the current limit of \$3,000,000 to a new limit of \$3,800,000, to reflect annualized increases based on the Consumer Price Index from 1997 to the present, as authorized under Public Code Section 20128.5.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The JOC is a flexible, cost-effective unit price contracting technique that provides for the repair and refurbishment of County facilities without extensive plans and specifications. This relatively simple and straightforward process reduces administrative requirements and lowers direct construction costs while meeting all Federal, State, and County procurement requirements. These JOCs will help expedite the implementation of the Department's \$20 million deferred maintenance program and the completion of small refurbishment projects and other repairs to the Department facilities. These include such projects as refurbishments to restrooms and community buildings, repair and replacement of roofs, and repairs to concrete walkways. JOCs may not and will not be used for new construction.

Public Contract Code Section 20128.5 allows individual JOCs to have a one-year term and a maximum value of \$3,000,000. A 1997 amendment to the Public Contract Code allows annualized increases in the maximum contract value, based on the Consumer Price Index (CPI). Since 1997, the CPI has increased on a compounded basis, by 24.1 percent, which would increase the maximum value of future JOCs to \$3,800,000

The Director of Parks and Recreation will advise the Chief Administrative Office of any work orders exceeding \$100,000 prior to authorizing their execution and will report all JOC activity to your Board on a quarterly basis.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These actions meet the County's Strategic Plan Goals of Service Excellence (Goal Number 1) and Organizational Effectiveness (Goal Number 3) as these construction contracts will improve public facilities and restore them fully into service sooner than with traditional construction contracting.

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FISCAL IMPACT/FINANCING

The recommended contracts have a maximum limit of \$3,000,000 each. The repair or refurbishment work will be financed through the appropriate refurbishment project as budgeted in the 2005-06 Capital Projects/Refurbishment Budget; the \$20 million in deferred maintenance funding allocated for the Department in the Extraordinary Maintenance Budget based on the recently completed Strategic Asset Management Plan, or as funded through Parks and Recreation's operating budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard contract will be used in the form previously approved by County Counsel. The standard Board-directed clauses for contract terminations, renegotiations, and hiring qualified displaced County employees will be included.

The project specifications also contain provisions requiring the contractors to report solicitations of improper consideration by County employees and allowing the County to terminate the contracts if it is found that the contractors offered or gave improper consideration to County employees.

As requested by your Board on August 12, 1997, and as a threshold requirement for consideration for contract award, Angeles Contractor, Inc., Mackone Development, Inc., and Torres Construction, Inc., are willing to consider Greater Avenues for Independence Program/General Relief Opportunity for work participants for future employment.

Angeles Contractor, Inc., Mackone Development, Inc., and Torres Construction, Inc., as required on all publicly funded projects in excess of \$1,000.00, will be required to pay prevailing State wage rates to all persons employed on these JOCs.

As required by your Board, language has been incorporated into the project specifications stating that the contractors shall notify their employees, and shall require each subcontractor to notify its employees; about Board Policy 5.135 (Safely Surrendered Baby Law) and that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws.

Angeles Contractor, Inc., Mackone Development, Inc., and Torres Construction, Inc., are in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Service Program).

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ENVIRONMENTAL DOCUMENTATION

All work orders will be required to comply with the California Environmental Quality Act (CEQA). The implementation of each work order under these JOCs shall be subject to prior determination and documentation by Parks and Recreation that the work is categorically exempt from CEQA under Section 15025 of the State CEQA Guidelines. The Department will prepare and find the work orders exempt, if applicable. In the event the work order is not exempt, your Board will be requested to approve the appropriate environmental documentation prior to implementation.

CONTRACTING PROCESS

The Department has been receiving assistance from the Department of Public Works and the Gordian Group during the bidding process for these contracts. Both Public Works and the Gordian Group will continue to support the Department during the term of the contract and Public Works will support the Department in producing the individual notices to proceed and monitoring the total amounts expended and committed under the contracts.

On September 15, 2005, using the JOC Unit Price Book and Specifications adopted by your Board on May 10, 2005, Public Works issued a Request for Bids for a total of three JOCs. Bidders were required to submit a set of cost adjustment factors that would be applied to the unit prices for work in the JOC Unit Price Book. Bids were to be determined by calculating a composite factor using a predetermined and advertised formula, with the JOC Unit Price Book and the contractors' adjustment factors to be incorporated in the awarded contracts.

Competitive bids were received on October 12 and 13, 2005. We recommend that your Board award the first JOC (P1) to the lowest responsive and responsible bidder on P1, Angeles Contractor. We recommend that your Board award the second JOC (P2) to the lowest responsive and responsible bidder on P2, Mackone Development. New Creation Builders was the apparent low bidder for the third JOC (P3), but did not possess a valid license at the time of bid. Accordingly, we recommend that New Creation Builders be found non-responsive and that your Board award the third JOC (P3) to Torres Construction, the next lowest responsive and responsible bidder. The bid results for all three JOCs are summarized in Enclosure A.

Angeles Contractor, Inc.'s, Mackone Development, Inc.'s, and Torres Construction, Inc.'s, three-year contracting history are on file with Public Works.

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To ensure the contracts are awarded to responsible contractors with a satisfactory performance history, bidders were required to report violations of the False Claims Act, their civil litigation history, and information regarding prior criminal convictions. The information reported by Angeles Contractor, Inc., Mackone Development, Inc., and Torres Construction, Inc., were considered before making this recommendation to approve execution of the contracts.

As requested by your Board on February 3, 1998, these JOC opportunities were listed on the Doing Business with Us website. Copies of the website postings are included as "Enclosure B" for your reference.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended contracts as these contracts are for non-Proposition A services.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The use of these contracts will expedite the completion of repair or refurbishment work. Minor impacts may occur while repair or refurbishment work is underway.

CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects Division) and Parks and Recreation Department.

Respectfully submitted,

RUSS GUINEY

Director

DÁVID E. JANSSEN "

Chief Administrative Officer

RG:LW:yb

c:\JQCs\Job Order Contract Board Letter1

Enclosures 2

cc: County Counsel

Department of Public Social Services (GAIN/GROW Program)

Office of Affirmative Action Compliance

ENCLOSURE A

JOB ORDER CONTRACTS FOR REPAIR AND REFURBISHENT OF COUNTY PARK FACILITIES AWARD CONTRACT SPECS. VARIOUS

JOC P1

Bid Opening Date: October 12, 2005

Bid Summary:

	<u>Bidder</u>	Total Composite Factor
1.	Angeles Contractor, Inc.	0.8570
2.	Mackone Development	0.8959
3.	New Creation Builders, Inc.	0.9010
4.	ACE Engineering	0.9124
5.	Torres Construction	0.9940

JOC P2

Bid Opening Date: October 13, 2005

Bid Summary:

	Bidder	Total Composite Factor
1.	Mackone Development	0.8519
2.	Torres Construction (SBE)	0.8940
3.	ACE Engineering	0.8824
4.	New Creation Builders, Inc.	0.9000
5.	Minco Construction Corp.	0.9900

JOC P3

Bid Opening Date: October 13, 2005

Bid Summary:

	<u>Bidder</u>	Total Composite Factor
1.	New Creation Builders, Inc.	0.8520
2.	Torres Construction (SBE)	0.860
3.	ACE Engineering	0.8744
4.	Mackone Development	0.9160
5.	Minco Construction Corp.	0.9720

Bid Detail Information

Bid Number: AEDM000043

Bid Title: Job Order Contract P1

Bid Type: Construction Department: Public Works

Commodity: BUILDING CONSTRUCTION SERVICE, NON-RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date: 9/15/2005

Ciosing Date: 10/12/2005 10:45 AM

Bid Amount: N/A

Bid Download: Not Available

Bid Description: Public Works will hold a mandatory pre-bid conference for all JOC bids at 1:00 p.m. on October 5, 2005,

Conference Room B, 900 South Fremont Avenue, Alhambra, California 91803 to provide information on the project, bidding process and answer any questions that potential bidders may have. To be considered responsive to this invitation for bidders must attend the mandatory pre-bid conference. Bids from bidders who do not attend the pre-bid conference will be rejected as non-exponsive. It is strongly recommended that the pre-bid conference be attended by a principal of the company or by a person authorized to make decisions for the company. The maximum dollar value of the contract is \$3,000,000.

Contact Name: Brian Soria Contact Phone#: (626) 458-2588 Contact Email: bsoria@ladow.org Last Changed On: 9/20/2005 9:57:33 AM

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Bid Detail Information

Bid Number: AEDM000044

Bid Title: Job Order Contract P2

Bid Type: Commodity
Department: Public Works

Commodity: BUILDING CONSTRUCTION SERVICE, NON-RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date: '9/15/2005

Closing Date: 10/13/2005 10:45 AM

Bid Amount: N/A

Bid Download: Not Available

Bid Description: Public Works will hold a mandatory pre-bid conference for all JOC bids at 1:00 p.m. on October 5, 2005,

Conference Room B, 900 South Fremont Avenue, Alhambra, California 91803 to provide information on the project, bidding process and answer any questions that potential bidders may have. To be considered responsive to this invitation for bid, bidders must attend the mandatory pre-bid conference. Bids from bidders who do not attend the pre-bid conference will be rejected as nonresponsive. It is strongly recommended that the pre-bid conference be attended by a principal of the company or by a person authorized to make decisions for the company. The maximum dollar value of the contract is \$3,000,000.

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Bid Detail Information

Bid Number: AED000045

Bid Title: Job Order Contract P3

Bid Type: Construction Department: Public Works

Commodity: BUILDING CONSTRUCTION SERVICE, NON- RESIDENTIAL (OFFICE BLDG., ETC.)

Open Date: 9/15/2005

Closing Date: 10/13/2005 1:45 PM

Bid Amount: N/A

Bid Download: Not Available

Bid Description: Public Works will hold a mandatory pre-bid conference for all JOC bids at 1:00 p.m. on October 5, 2005,

Conference Room B, 900 South Fremont Avenue, Alhambra, California 91803 to provide information on the project, bidding process and answer any questions that potential bidders may have. To be considered responsive to this invitation for bid, bidders must attend the mandatory pre-bid conference. Bids from bidders who do not attend the pre-bid conference will be rejected as nonresponsive. It is strongly recommended that the pre-bid conference be attended by a principal of the company or by a person authorized to make decisions for the company. The maximum dollar value of the contract is \$3,000,000.

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